

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Santa Cruz Community Credit Union

Point of Contact:	Ellen Murtha	RSSD: (For Bank Holding Companies)	0
UST Sequence Number:	1438	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	2,828,000	FDIC Certificate Number: (For Depository Institutions)	
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	64029
Date Funded (first funding):	September 24, 2010	City:	Santa Cruz
Date Repaid ¹ :	N/A	State:	California

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

☒ **Increase lending or reduce lending less than otherwise would have occurred.**

Santa Cruz Community Credit Union increased our business lending due to the infusion of the CDCI funds.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Santa Cruz Community Credit Union

☒ **To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).**

The major types of loans within Santa Cruz Community Credit Union business lending included commercial real estate, business expansion, working capital and permanent capital.

☐ **Increase securities purchased (ABS, MBS, etc.).**

☐ **Make other investments.**

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Santa Cruz Community Credit Union

☐ Increase reserves for non-performing assets.

☐ Reduce borrowings.

☐ Increase charge-offs.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Santa Cruz Community Credit Union

☐ Purchase another financial institution or purchase assets from another financial institution.

☒ Held as non-leveraged increase to total capital.

The CDCI funds have increased our net worth and capital ratio. We expect to do even more lending when the market and demand increases.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Santa Cruz Community Credit Union

What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

Santa Cruz Community Credit Union was able to avoid instability in the industry because of the capital infusion of CDCI funds. The CDCI capital infusion stabilized our net worth ratio and has allowed us to continue lending in our community.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Santa Cruz Community Credit Union

What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

Santa Cruz Community Credit Union was able to take action in providing financing of loans, especially loans larger than \$50,000, to businesses with the capital infusion of the CDCI funds.

CDCI ANNUAL USE OF CAPITAL SURVEY - 2011



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Santa Cruz Community Credit Union

Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.

Santa Cruz Community Credit Union was able to take other action with the capital infusion of CDCI funds, specifically referring small businesses to SurePath Financial Solutions, the non-profit consumer credit counseling agency for this region, for business financial counseling.